



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6

1445 ROSS AVENUE, SUITE 1200
DALLAS, TX 75202-2733

825963

February 25, 2008

Mr. John R. Eldridge
Haynes and Boone, LLP
1 Houston Center
1221 McKinney, Suite 2100
Houston, TX 77010

RE: Gulfco Marine Maintenance Superfund Site in Freeport Texas

Dear Mr. Eldridge:

The Environmental Protection Agency is in receipt of your February 14, 2008 letter communicating Parker Drilling Offshore Corporation's ("Parker Drilling") decision not to comply with the Unilateral Administrative Order for Remedial Investigation and Feasibility Study ("UAO") for the Gulfco Marine Maintenance Superfund Site. According to your letter, the basis for Parker Drilling's refusal to comply is that Parker Drilling has not had insufficient time to review the case and that an UAO conference has not been held.

The UAO was issued with an effective date of January 31, 2008, and Parker Drilling received the UAO on January 4, 2008. Parker Drilling had six weeks to review the case prior to the deadline for submitting a notice of intent to comply. In addition, the letter transmitting the UAO announced that a UAO conference had been scheduled for February 21, 2008. At Parker Drilling's request, EPA agreed to postpone the UAO conference until a later date more convenient for Parker Drilling, but Parker Drilling never contacted EPA to propose a new conference date. The EPA did not agree to postpone the effective date of the UAO.

The EPA has reviewed the basis for your sufficient cause defense and does not agree that it provides a reason for Parker Drilling to decline compliance with the UAO. Under the UAO, Parker Drilling may be liable for civil penalties under Section 106(b) of CERCLA, 42 U.S.C. § 9606(b), of up to \$32,500 for each day since February 15, 2008 when notice of intent to comply was required.

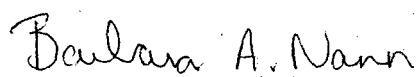
Even though the UAO is already in effect, EPA is prepared to meet with Parker Drilling to discuss the UAO and its asserted "sufficient cause" defense. We propose meeting on Thursday, March 6, 2008 at 10:00 a.m. at the EPA Region 6 offices in Dallas, Texas. Please contact me to confirm that Parker Drilling will attend this meeting.



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If you have any questions, please feel free to contact me at (214) 665-2157.

Sincerely yours,

A handwritten signature in cursive script that reads "Barbara A. Nann". The signature is written in dark ink and is positioned above the printed name and title.

Barbara A. Nann
Assistant Regional Counsel